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SINCLAIR BROADCAST GROUP, INC.
401(K) PROFIT SHARING PLAN AND TRUST

SUMMARY PLAN DESCRIPTION

I

INTRODUCTION TO YOUR PLAN

Sinclair Broadcast Group, Inc. wishes to recognize the efforts its employees have made to its success and to reward them by adopting a 401(k) Profit Sharing Plan and Trust. This 401(k) Profit Sharing Plan will be for the exclusive benefit of eligible employees and their beneficiaries.

Your Plan is a "salary reduction plan." It is also called a "401(k) plan." Under this type of plan, you may choose to reduce your compensation and have these amounts contributed to this Plan on your behalf.

The purpose of this Plan is to reward eligible employees for long and loyal service by providing them with retirement benefits.

Between now and your retirement, your Employer intends to make contributions for you and other eligible employees. When you retire, you will be eligible to receive the value of the amounts which have accumulated in your account.

Your Employer has the right to submit this Plan to the Internal Revenue Service for approval. The Internal Revenue Service will issue a "determination letter" to your Employer approving this Plan as a "qualified" retirement plan, if this Plan meets specific legal requirements.

Other participating Employers have adopted the provisions of this Plan. (See the Section in this Summary entitled "Employer Information.")

This Summary Plan Description is a brief description of your Plan and your rights, obligations, and benefits under that Plan. Some of the statements made in this Summary Plan Description are dependent upon this Plan being "qualified" under the provisions of the Internal Revenue Code. This Summary Plan Description is not meant to interpret, extend, or change the provisions of your Plan in any way. The provisions of your Plan may only be determined accurately by reading the actual Plan document.

A copy of your Plan is on file at your Employer's office and may be read by you, your beneficiaries, or your legal representatives at any reasonable time. If you have any questions regarding either your Plan or this Summary Plan Description, you should ask your Plan's Administrator. In the event of any discrepancy between this Summary Plan Description and the actual provisions of the Plan, the Plan shall govern.

II GENERAL INFORMATION ABOUT YOUR PLAN

There is certain general information which you may need to know about your Plan. This information has been summarized for you in this section.

1. General Plan Information

Sinclair Broadcast Group, Inc. 401(k) Profit Sharing Plan and Trust is the name of your Plan.

Your Employer has assigned Plan Number 001 to your Plan.

The provisions of your Plan become effective on January 1, 1988, which is called the Effective Date of the Plan.

Your Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year begins on January 1st and ends on December 31st.

Certain valuations and distributions are made on the Anniversary Date of your Plan. This date is December 31st.

The contributions made to your Plan by your Employer shall be held and invested by the Trustee of your Plan.

Your Plan and Trust shall be governed by the laws of the State of Maryland.

2. Employer Information

Your Employer's name, address, and identification number are:

Sinclair Broadcast Group, Inc.
3500 Parkdale Avenue
Baltimore, Maryland 21211
52-1494660

Your Plan allows other employers to adopt its provisions. You or your beneficiaries may examine or obtain a complete list of employers, if any, who have adopted your Plan by making a written request to the Administrator.

Other Employers who have adopted the provisions of the Plan are:

Commercial Radio Institute, Inc.

Chesapeake Television, Inc.

52-0888546

WTTE Channel 28, Inc.

52-1313500

Bay Television, Inc.

52-1530262

Omaha Telecasters, Inc.

Burlington 48, Inc.

Cunningham Communications, Inc.

52-1526872

Bloomington, Channel 63, Inc.

3. Plan Administrator Information

The name, address, and business telephone number of your Plan's Administrator are:

Sinclair Broadcast Group, Inc.
3500 Parkdale Avenue
Baltimore, Maryland 21211
(301) 462-4500

Your Plan's Administrator keeps the records for the Plan and is responsible for the administration of the Plan. Your Plan's Administrator will also answer any questions you may have about your Plan.

4. Plan Trustee Information

The names of your Plan's Trustees are:

J. Duncan Smith
David D. Smith
David B. Amy

The Trustees shall collectively be referred to as Trustee throughout this Summary Plan Description.

The principal place of business of your Plan's Trustee is:

3500 Parkdale Avenue
Baltimore, Maryland 21211

Your Plan's Trustee has been designated to hold and invest Plan assets for the benefit of you and other Plan participants.

5. Service of Legal Process

The name and address of your Plan's agent for service of legal process are:

Sinclair Broadcast Group, Inc.
3500 Parkdale Avenue
Baltimore, Maryland 21211

Service of legal process may also be made upon the Trustee or Administrator.

III PARTICIPATION IN YOUR PLAN

Before you become a member or a "participant" in the Plan, there are certain eligibility and participation rules which you must meet. These rules are explained in this section.

1. Eligibility Requirements

You will be eligible to participate in the Plan if you have completed one (1) Year of Service and have reached your 21st birthday.

You should review the Article in this Summary entitled "YEAR OF SERVICE RULES" for a further explanation of these eligibility requirements.

2. Participation Requirements

Once you have satisfied your Plan's eligibility requirements, your next step will be to actually become a member or a "participant" in the Plan. You will become a participant on a specified day of the Plan Year. This day is called the Effective Date of Participation.

You will become a participant on the earlier of the first day of the Plan Year or the first day of the seventh month of the Plan Year coinciding with or next following the date you satisfy your Plan's eligibility requirements.

IV CONTRIBUTIONS TO YOUR PLAN

1. Employer Contributions to the Plan

Each year, your Employer will contribute to your Plan the following amounts:

(a) The total amount of the salary reduction you elected to defer. (See the Section in this Article entitled "Employee Salary Reduction Election.")

(b) A matching contribution equal to 50% of the amount of the salary reduction you elected to defer, up to 4% of your salary reduction.

(c) A discretionary amount determined each year by your Employer.

2. Employee Salary Reduction Election

As a participant, you may elect to defer up to 4% of your compensation each year instead of receiving that amount in cash. However, your total deferrals in any calendar year may not exceed \$7,000. This \$7,000 limit will be increased in the future for cost of living changes.

Your Employer's contribution will be added to the amount you defer to provide additional benefits when you retire.

The amount you elect to defer will be deducted from your pay in accordance with the written procedure established by your Employer.

The amount you elect to defer, and any earnings on that amount, will not be subject to income tax until it is actually distributed to you. This money will, however, be subject to Social Security taxes at all times.

You should also be aware that the \$7,000 limit is an aggregate limit which applies to all deferrals you may make under this plan or other cash or deferred arrangements (including tax-sheltered 403(b) annuity contracts, simplified employee pensions or other 401(k) plans in which you may be participating). Generally, if your total deferrals under all cash or deferred arrangements for a calendar year exceed the \$7,000 limit, the excess must be included in your income for the year. If you participate in another cash or deferred arrangement and

your total deferrals exceed the \$7,000 limit, it is desirable to request in writing that these excess deferrals be returned to you. Failure to request such a return may result in your being taxed a second time when the excess deferral is ultimately distributed from the Plan. You must decide which plan or arrangement you would like to have return the excess. If you decide that the excess should be distributed from this Plan, you should communicate this in writing to the Administrator no later than the March 1st following the close of the calendar year in which such excess deferrals were made. The Administrator will then return the excess deferral and any earnings to you by April 15th.

You will always be 100% vested in the amount you deferred. This means that you will always be entitled to all of the deferred amount. This money will, however, be affected by any investment gains or losses. If the Trustee invested this money and there was a gain, the balance in your account would increase. Of course, if there were a loss, the balance in your account would decrease. Your interest in this account cannot be forfeited for any reason.

Distributions from your deferred account are not permitted before age 59 1/2 EXCEPT in the event of:

- (a) death;
- (b) disability;
- (c) termination of employment; or
- (d) reasons of proven financial hardship resulting from accident to or sickness of you or your dependents; or financial hardship resulting from the establishing or preserving of your home in which you reside, provided funds are not available to you from any other financial resources. Any withdrawals for proven financial hardship after December 31, 1988, will be limited to the amount you have deferred under the Plan. Income or earnings on your deferrals are not eligible for hardship distribution.

3. Your Share of Employer Contributions

Your Employer will allocate the amount you elect to defer to an account maintained by the Trustee on your behalf.

Your Employer will also allocate the matching contribution made to the Plan on your behalf. (See the Section in this Article entitled "Employer Contributions to the Plan.")

You will share in this matching contribution regardless of whether you complete a Year of Service in each Plan Year.

Your Employer's discretionary contribution will be "allocated" or divided among participants eligible to share in the contribution for the Plan Year.

Your share of your Employer's discretionary contribution is determined by the following fraction:

$$\begin{array}{rcccl} & & & \text{Your Compensation} & \\ & \text{Employer's} & & & \\ & \text{Discretionary Contribution} & \times & \frac{\text{Total Compensation of All}}{\text{Participants Eligible to}} & \\ & & & \text{Share} & \end{array}$$

For example:

Suppose the Employer's discretionary contribution for the Plan Year is \$20,000.

Employee A's compensation for the Plan Year is \$25,000.

The total compensation of all participants eligible to share, including Employee A, is \$250,000.

Employee A's share will be:

$$\begin{array}{rcccl} & & \$25,000 & & \\ \$20,000 & \times & \frac{}{\$250,000} & \text{or} & \$2,000 \end{array}$$

As a participant, you will share in your Employer's discretionary contribution for any Plan Year if you:

- (a) retire during the Plan Year;
- (b) die during the Plan Year;
- (c) become disabled during the Plan Year;
- (d) are employed on the last day of the Plan Year, which is December 31st and have completed a Year of Service during the Plan Year.

In addition to the Employer's contributions made to your account, your account will be credited annually with a share of the investment earnings or losses of the trust fund.

4. Compensation

For the purposes of your Plan, compensation has a special meaning. Compensation is defined as your total salary and wages paid or accrued during a Plan Year.

Your compensation will be recognized for benefit purposes from your date of entry into the Plan.

For Plan Years starting in 1989, the Plan by law cannot recognize compensation in excess of \$200,000.

5. Forfeitures

Forfeitures are created when participants terminate employment before becoming entitled to their full benefits under the Plan. Your account may grow from the forfeitures of other participants. Forfeitures will be "allocated" or divided among participants eligible to share for a Plan Year.

6. Transfers From Qualified Plans (Rollovers)

At the discretion of the Administrator, you may be permitted to deposit into your Plan distributions you have received from other plans. Such a deposit is called a "rollover" and may result in tax savings to you. You should consult qualified counsel to determine if a rollover is in your best interest.

Your rollover will be placed in a separate account called a "participant's rollover account." The Administrator may establish rules for investment.

You will always be 100% vested in your "rollover account." This means that you will always be entitled to all of your rollover contributions. Rollover contributions will be affected by any investment gains or losses. If the Trustee invested this money and there was a gain, the balance in your account would increase. Of course, if there were a loss from an investment, the balance in your account would decrease.

V
BENEFITS UNDER YOUR PLAN

1. Distribution of Benefits Upon Normal Retirement

Your Normal Retirement Date is the Anniversary Date coinciding with or next following your 65th birthday (Normal Retirement Age).

At your Normal Retirement Age, you will be entitled to 100% of your account balance. Payment of your benefits will begin as soon as practicable following your Normal Retirement Date.

2. Distribution of Benefits Upon Early Retirement

Your Early Retirement Date is any Anniversary Date following the date you have reached your 55th birthday.

On your Early Retirement Date, you will be entitled to 100% of your account balance. Payment of your Early Retirement benefits will begin as soon as practicable following your Early Retirement Date.

3. Distribution of Benefits Upon Late Retirement

Your Late Retirement Date is the Anniversary Date coinciding with or next following your actual retirement date after reaching your Normal Retirement Date.

On your Late Retirement Date, you will be entitled to 100% of your account balance. Payments of your Late Retirement benefits will begin as soon as practicable following your Late Retirement Date.

4. Distribution of Benefits Upon Death

Your beneficiary will be entitled to 100% of your account balance upon your death.

The Administrator may elect to purchase life insurance on your behalf with a portion of your Employer's contribution. Any life insurance purchased shall be used to provide a death benefit for your beneficiaries.

If a life insurance policy is purchased on your behalf with a portion of your Employer's contribution made to your account, your account will be reduced by the amount of the premiums and credited with any policy dividends.

If you are married at the time of your death, your spouse will be the beneficiary of the death benefit, unless you otherwise elect in writing on a form to be furnished to you by the Administrator. IF YOU WISH TO DESIGNATE A BENEFICIARY OTHER THAN YOUR SPOUSE, HOWEVER, YOUR SPOUSE MUST IRREVOCABLY CONSENT TO WAIVE ANY RIGHT TO THE DEATH BENEFIT. YOUR SPOUSE'S CONSENT MUST BE IN WRITING, BE WITNESSED BY A NOTARY OR A PLAN REPRESENTATIVE AND ACKNOWLEDGE THE SPECIFIC NONSPOUSE BENEFICIARY.

If no valid waiver is in effect, the death benefit payable to your spouse shall be in the form of a survivor annuity, that is, periodic payments over the life of your spouse. Your spouse may direct that payments begin within a reasonable period of time after your death. The size of the monthly payments will depend on the value of your account at the time of your death. The death benefit may be distributed in an alternative method, such as a single lump sum or in installments, provided your spouse consents in writing to an alternative form.

The period during which you and your spouse may waive this survivor annuity begins as of the first day of the Plan Year in which you reach age 35 and ends when you die. The Administrator must provide you with a detailed explanation of the survivor annuity. This explanation must be given to you during the following period of time: beginning on the first day of the Plan Year in which you will reach age 32 and ending on the first day of the Plan Year in which you reach age 35.

It is, therefore, important that you inform the Administrator when you turn age 32 so that you may receive this information.

If, however,

(a) your spouse has validly waived any right to the death benefit in the manner outlined above,

(b) your spouse cannot be located; or

(c) you are not married at the time of your death,

then your death benefit will be paid to the beneficiary of your own choosing in installments or as a single lump sum, as you or your beneficiary may elect. You may designate such beneficiary on a form to be supplied to you by the Administrator. If you change your designation, your spouse must again consent to the change.

Since your spouse participates in these elections and has certain rights in the death benefit, you should immediately report any change in your marital status to the Administrator.

5. Distribution of Benefits Upon Disability

Under your Plan, disability is defined as a physical or mental condition resulting from bodily injury, disease, or mental disorder which renders you incapable of continuing your usual and customary employment with your Employer. Your disability shall be determined by a licensed physician chosen by the Administrator.

If you become disabled while a participant, you will be entitled to 100% of your account balance. Payment of your disability benefits will begin on or before the Anniversary Date following the date you become disabled. (See the Section in this Article entitled "Benefit Payment Options.")

6. Distribution of Benefits Upon Termination of Employment

Your Plan is designed to encourage you to stay with your Employer until retirement. Payment of your account balance under your Plan is only available upon your death, disability or retirement.

If your employment is terminated for reasons other than those listed above, you will be entitled to receive only your "vested percentage" of your account balance and the remainder of your account will be forfeited. Only contributions made by your Employer are subject to forfeiture. (See the Section in this Article entitled "Vesting in Your Plan.")

If the value of your vested account is \$3,500 or less, the Administrator will direct the Trustee to distribute your vested benefit to you before the date it would normally be distributed (upon your death, disability or retirement). This earlier

distribution will only be made if the value of your vested account is \$3,500 or less and will be made within a reasonable time after you terminate employment.

7. Vesting in Your Plan

Your "vested percentage" in your account is determined under the following schedule and is based on vesting Years of Service. You will always, however, be 100% vested upon your Early or Normal Retirement Age. (See the Section in this Article entitled "Distribution of Benefits Upon Normal Retirement.")

Vesting Schedule	
Years of Service	Percentage
2	20 %
3	40 %
4	60 %
5	80 %
6	100 %

Regardless of this vesting schedule, you are always 100% vested in your salary reduction amounts contributed to the Plan.

Your vested benefit will normally be distributed to you or your beneficiary upon your death, disability or retirement. If you terminate employment before any of these events, however, your unpaid vested benefit may be segregated in a special account.

8. Benefit Payment Options

There are various methods that benefits may be distributed to you from your Plan. The method depends on your marital status, as well as the elections you and your spouse make. All methods of distribution, however, have equivalent values.

If you are married on the date your benefits are to begin, however, you will automatically receive a 50% joint and survivor annuity, unless you otherwise elect. This means that if you die and are survived by a spouse, your spouse will receive a monthly benefit for the remainder of his life equal to 50% of the benefit you were receiving at the time of your death. You may elect a 75% or 100% joint and survivor annuity instead of the standard 50% joint and survivor annuity. It should be noted that a joint and survivor annuity may provide a lower monthly benefit than other forms of payment. You should consult qualified tax counsel before making such election.

If you are not married on the date your benefits are to begin, you will automatically receive a life annuity, which means you will receive payments for as long as you live.

You may, however, elect to waive these forms of payment, subject to the following rules.

When you are about to retire, the Administrator will explain the joint and survivor annuity or the life annuity to you in greater detail. You will be given the option of waiving the joint and survivor annuity or the life annuity form of payment during the 90 day period before the annuity is to begin. IF YOU ARE MARRIED, YOUR SPOUSE MUST IRREVOCABLY CONSENT IN WRITING TO THE WAIVER IN THE PRESENCE OF A NOTARY OR A PLAN REPRESENTATIVE. You may revoke any waiver. The Administrator will provide you with forms to make these elections. Since your spouse participates in these elections, you must immediately inform the Administrator of any change in your marital status.

If you and your spouse elect not to take a joint and survivor annuity or if you are not married when your benefits are scheduled to begin, and have elected not to take a life annuity, you may elect an alternative form of payment. This payment may be made in one of the following methods:

- (a) a single lump-sum payment;
- (b) the purchase of a different form of annuity;
- (c) equal installments over a period of not more than your assumed life expectancy (or you and your beneficiary's assumed life expectancies) at the time of distribution.

Regardless of the form of payment you receive, its value to you will be the same value as each alternative form of payment.

GENERALLY, WHENEVER A DISTRIBUTION OF PAYMENTS IS TO BE MADE TO YOU ON OR BEFORE AN ANNIVERSARY DATE, IT MAY BE POSTPONED FOR A PERIOD UP TO 180 DAYS, FOR ADMINISTRATIVE CONVENIENCE. HOWEVER, UNLESS YOU ELECT IN WRITING TO DEFER THE RECEIPT OF BENEFITS, NO DISTRIBUTION MAY BEGIN LATER THAN THE 60TH DAY AFTER THE CLOSE OF THE PLAN YEAR IN WHICH THE LATEST OF THE FOLLOWING EVENTS OCCURS:

(a) the date on which you reach the age of 65 or your Normal Retirement Age;

(b) the 10th anniversary of the year in which you became a participant in the Plan;

(c) the date you terminated employment with your Employer.

9. Other Distributions From Your Plan

There are also other distributions which may be available to you from your Plan. These distributions are not in addition to your other benefits and will therefore reduce the value of the benefits you will receive at normal retirement.

(a) Advance for Hardship: You may be entitled to receive an advance of a portion of your account balance in the event of proven financial hardship. The Administrator may direct the Trustee to distribute up to 100% of your account balance to you in any one Plan Year. This distribution:

(1) is made at your election;

(2) may only be made if you are fully vested in your account balance;

(3) is available only with respect to employer matching and discretionary contributions;

(4) shall be authorized only for financial hardship resulting from:

(i) an accident to or sickness of you or your dependent; or

(ii) the establishment or preservation of your home.

(5) must be made with the consent of your spouse waiving any right to these distributions. Your spouse's consent must be in writing and witnessed by a notary or a plan representative.

THIS HARDSHIP DISTRIBUTION IS DIFFERENT FROM THE DISTRIBUTION FOR HARDSHIP OF YOUR SALARY REDUCTIONS DESCRIBED IN THE ARTICLE IN THIS SUMMARY ENTITLED "CONTRIBUTIONS TO YOUR PLAN". THIS HARDSHIP DISTRIBUTION WILL BE MADE FROM YOUR EMPLOYER'S CONTRIBUTIONS (OTHER THAN YOUR SALARY REDUCTIONS).

10. Treatment of Distributions From Your Plan

Whenever you receive a distribution from your Plan, it will normally be subject to income taxes. You may, however, reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

(a) The rollover of all or a portion of the distribution to an Individual Retirement Account (IRA) or another qualified employer plan. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, MUST be made within strict time frames (normally, within 60 days after you receive your distribution). In addition, under certain circumstances all or a portion of a distribution may not qualify for this rollover treatment.

(b) The election if you qualify for favorable income tax treatment under the "10-year forward averaging", "5-year forward averaging" or "capital gains" method of taxation.

WHENEVER YOU RECEIVE A DISTRIBUTION, THE ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX AND HAVE BEEN GREATLY AFFECTED BY THE TAX REFORM ACT OF 1986. YOU SHOULD CONSULT WITH QUALIFIED TAX COUNSEL BEFORE MAKING A CHOICE.

11. Domestic Relations Order

As a general rule, your interest in your account, including your "vested interest," may not be alienated. This means that your interest may not be sold, used as collateral for a loan, given away or otherwise transferred. In addition, your creditors may not attach, garnish or otherwise interfere with your account.

There is an exception, however, to this general rule. The Administrator may be required by law to recognize obligations you incur as a result of court ordered child support or alimony payments. The Administrator must honor a "qualified domestic relations order." A "qualified domestic relations order" is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, child or other dependent. If a qualified domestic relations order is received by the Administrator, all or a portion of your benefits may be used to satisfy the obligation. The Administrator shall determine the validity of any domestic relations order he receives.

12. Pension Benefit Guaranty Corporation

Benefits provided by your Plan are NOT insured by the Pension Benefit Guaranty Corporation (PBGC) under Title IV of the Employee Retirement Income Security Act of 1974 because the insurance provisions under ERISA are not applicable to your Plan.

VI YEAR OF SERVICE RULES

1. Year of Service and Hour of Service

The term "Year of Service" is used throughout this Summary Plan Description and throughout your Plan. A Year of Service for eligibility purposes is defined as follows:

You will have completed a Year of Service if, at the end of your first twelve consecutive months of employment with your Employer, you have been credited with 1000 Hours of Service.

If you have not been credited with 1000 Hours of Service by the end of your first twelve consecutive months of employment, you will have completed a Year of Service at the end of any following Plan Year during which you were credited with 1000 Hours of Service.

You will have completed a Year of Service for vesting purposes if you are credited with 1000 Hours of Service during a Plan Year, even if you were not employed on the first or last day of the Plan Year.

An "Hour of Service" has a special meaning for Plan purposes. You will be credited with an Hour of Service for:

(a) each hour for which you are directly or indirectly compensated by your Employer for the performance of duties during the Plan Year;

(b) each hour for which you are directly or indirectly compensated by your Employer for reasons other than performance of duties (such as vacation, holidays, sickness, disability, lay-off, military duty, jury duty or leave of absence during the Plan Year); and

(c) each hour for back pay awarded or agreed to by your Employer.

2. 1-Year Break in Service

A 1-Year Break in Service is a computation period during which you have not completed more than 500 Hours of Service with your Employer.

A 1-Year Break in Service does NOT occur, however, in the computation period in which you enter or leave the Plan for reasons of:

(a) an authorized leave of absence;

(b) certain maternity or paternity absences.

For Plan Years beginning after December 31, 1984, the Administrator will be required to credit you with Hours of Service for a maternity or paternity absence. These are absences taken on account of pregnancy, birth, or adoption of your child. No more than 501 Hours of Service shall be credited for this purpose and these Hours of Service shall be credited solely to avoid your incurring a 1-Year Break in Service. The Administrator may require you to furnish him with proof that your absence qualifies as a maternity or paternity absence.

These break in service rules may be illustrated by the following examples:

Employee A works 300 hours in a Plan Year. At the end of the Plan Year, Employee A will have a 1-Year Break in Service because he has worked less than 501 hours in a Plan Year. Employee B works 300 hours in a Plan Year and takes an authorized leave of absence for which he is credited with an additional 250 hours. Employee B will NOT have a 1-Year Break in Service because he is credited with more than 500 hours in a Plan Year.

If you are reemployed after a 1-Year Break in Service and were vested in any portion of your account derived from Employer contributions, you will receive credit for all Years of Service credited to you before your 1-Year Break in Service when you have completed another Year of Service. For example:

Suppose Employee A terminated employment with 4 Years of Service and was vested in a portion of his account. Employee A was then reemployed after a 1-Year Break in Service on January 1, 2002. On January 1, 2003 when Employee A completes 1 Year of Service, he will be credited with his 4 years of pre-break service.

If you do not have a "vested interest" in the Employer contributions allocated to your account when you terminate your employment, you will lose credit for your pre-break Years of Service when your consecutive 1-Year Breaks in Service equal or exceed the greater of 5 years, or your pre-break Years of Service. For example:

Employee A terminated employment on January 1, 2000 with 2 Years of Service. Employee A was not vested at the time of his termination of employment. Employee A returns to work on January 1, 2003. Employee A will be credited with his 2 pre-break Years of Service because his period of termination (3 years) did not exceed 5 years.

VII
YOUR PLAN'S "TOP HEAVY RULES"

1. Explanation of "Top Heavy Rules"

A 401(k) Profit Sharing Plan that primarily benefits "key employees" is called a "top heavy plan." Key employees are certain owners or officers of your Employer. A Plan is a "top heavy plan" when more than 60% of the contributions or benefits have been allocated to key employees.

Each year, the Administrator is responsible for determining whether your Plan is a "top heavy plan."

If your Plan becomes top heavy in any Plan Year, then non-key employees shall be entitled to certain "top heavy minimum benefits," and other special rules will apply. Among these top heavy rules are the following:

(a) Your Employer may be required to make a contribution equal to 3% of your compensation to your account;

(b) In determining benefits or contributions you are entitled to under your Plan, compensation, for Plan Years beginning prior to January 1, 1989, will be limited to \$200,000. Thereafter, compensation will be limited to \$200,000 in all Plan Years;

(c) If you are a participant in more than one Plan, you may not be entitled to minimum benefits under both Plans.

VIII
CLAIMS BY PARTICIPANTS AND BENEFICIARIES

Benefits will be paid to participants and their beneficiaries without the necessity of formal claims. You or your beneficiaries, however, may make a request for any Plan benefits to which you may be entitled. Any such request must be made in writing, and it should be made to the Administrator. (See the Article in this Summary entitled "GENERAL INFORMATION ABOUT YOUR PLAN.")

Your request for Plan benefits shall be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Administrator shall furnish you with a written notice of this denial. This written notice must be provided to you within a reasonable period of time (generally 90 days) after the receipt of your claim by the Administrator. The written notice must contain the following information:

- (a) the specific reason or reasons for the denial;
- (b) specific reference to those Plan provisions on which the denial is based;
- (c) a description of any additional information or material necessary to correct your claim and an explanation of why such material or information is necessary; and
- (d) appropriate information as to the steps to be taken if you or your beneficiary wishes to submit your claim for review.

If notice of the denial of a claim is not furnished to you in accordance with the above within a reasonable period of time, your claim shall be deemed denied. You will then be permitted to proceed to the review stage described in the following paragraphs.

If your claim has been denied, and you wish to submit your claim for review, you must follow the Claims Review Procedure.

1. The Claims Review Procedure

(a) Upon the denial of your claim for benefits, you may file your claim for review, in writing, with the Administrator. The form for this claim for review is available from the Employer or Administrator.

(b) YOU MUST FILE THE CLAIM FOR REVIEW NO LATER THAN 60 DAYS AFTER YOU HAVE RECEIVED WRITTEN NOTIFICATION OF THE DENIAL OF YOUR CLAIM FOR BENEFITS.

(c) You may review all pertinent documents relating to the denial of your claim and submit any issues and comments, in writing, to the Administrator.